



DEPARTMENT OF ENERGY

Western Area Power Administration

Colorado River Storage Project Management Center - Rate Order No. WAPA-195

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of rate order concerning joint dispatch transmission service formula rate for use under the Western Energy Imbalance Service (WEIS) Market.

SUMMARY: The formula rate for the Colorado River Storage Project Management Center (CRSP MC) of the Western Area Power Administration (WAPA) to use under the WEIS Market (Provisional Formula Rate) has been confirmed, approved, and placed into effect on an interim basis. This formula rate, approved under the WAPA Administrator's authority to establish rates for short term sales, expires on September 30, 2021. No changes were made to this formula rate for short-term sales under Rate Schedule SP-NFJDT (joint dispatch transmission service). CRSP MC has converted its existing rate for short-term sales for use under the WEIS Market to a long-term formula rate.

DATES: The Provisional Formula Rate under Rate Schedule SP-NFJDT (joint dispatch transmission service) is effective on the first day of the first full billing period beginning on or after October 1, 2021, and will remain in effect through September 30, 2024, pending confirmation and approval by the Federal Energy Regulatory Commission (FERC) on a final basis or until superseded.

FOR FURTHER INFORMATION CONTACT: Timothy A. Vigil, Colorado River Storage Project Management Center Manager, Western Area Power Administration, 1800 South Rio Grande Avenue, Montrose, CO 81401, email: CRSPMC-rate-adj@wapa.gov, or Thomas J. Hackett, Rates Manager, Colorado River Storage Project Management Center, Western Area Power Administration, (801) 524-5503, email: hackett@wapa.gov.

SUPPLEMENTARY INFORMATION: On December 29, 2020, WAPA's Administrator approved the rate for short-term sales for CRSP MC to use under the WEIS Market, which created a new Rate Schedule, SP-NFJDT (joint dispatch transmission service), for the 8-month period of February 1, 2021, through September 30, 2021.

WAPA published a *Federal Register* notice (Proposed FRN) on April 23, 2021 (86 FR 21726), proposing to convert the rate for short-term sales for CRSP MC to use under the WEIS Market to a long-term formula rate for use October 1, 2021, through September 30, 2026. The Proposed FRN also initiated a 30-day public consultation and comment period. The Proposed FRN stated a term of 5 years for the long-term formula rate, but, as discussed in Rate Order No. WAPA-195, WAPA has determined that a 3-year term would be more appropriate, making the effective dates October 1, 2021, through September 30, 2024.

Legal Authority

By Delegation Order No. 00-037.00B, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the WAPA Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve on a final basis, remand, or disapprove such rates to FERC. By Delegation Order No. S1-DEL-S4-2021, effective February 25, 2021, the Acting Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Science (and Energy). By Redelegation Order No. S4-DEL-OE1-2021, effective March 25, 2021, the Acting Under Secretary for Science (and Energy) redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Assistant Secretary for Electricity. By Redelegation Order No. 00-002.10-05, effective July 8, 2020, the Assistant Secretary

for Electricity further delegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This redelegation order, despite predating the February 2021 and March 2021 delegations, remains valid. This rate action is issued under the Redelegation Order No. 00-002.10-05 and Department of Energy procedures for public participation in rate adjustments as set forth at 10 CFR part 903.¹

Following review of CRSP MC's proposal, I hereby confirm, approve, and place Rate Order No. WAPA-195, which provides a formula rate for joint dispatch transmission service for use under the WEIS Market, into effect on an interim basis. WAPA will submit Rate Order No. WAPA-195 to FERC for confirmation and approval on a final basis.

**DEPARTMENT OF ENERGY
ADMINISTRATOR, WESTERN AREA POWER ADMINISTRATION**

In the Matter of:)	
Western Area Power Administration)	
Colorado River Storage Project Management Center)		
Rate Adjustment for)	Rate Order No. WAPA-195
Colorado River Storage Project)	
Joint Dispatch Transmission Service)	

ORDER CONFIRMING, APPROVING, AND PLACING FORMULA RATE FOR THE COLORADO RIVER STORAGE PROJECT INTO EFFECT ON AN INTERIM BASIS

The formula rate in Rate Order No. WAPA-195 is established following section 302

¹ 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

of the Department of Energy (DOE) Organization Act (42 U.S.C. 7152).²

By Delegation Order No. 00-037.00B, effective November 19, 2016, the Secretary of Energy delegated: (1) the authority to develop power and transmission rates to the Western Area Power Administration's (WAPA) Administrator; (2) the authority to confirm, approve, and place such rates into effect on an interim basis to the Deputy Secretary of Energy; and (3) the authority to confirm, approve on a final basis, remand, or disapprove such rates to the Federal Energy Regulatory Commission (FERC). By Delegation Order No. S1-DEL-S4-2021, effective February 25, 2021, the Acting Secretary of Energy also delegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Under Secretary for Science (and Energy). By Redelegation Order No. S4-DEL-OE1-2021, effective March 25, 2021, the Acting Under Secretary for Science (and Energy) redelegated the authority to confirm, approve, and place such rates into effect on an interim basis to the Assistant Secretary for Electricity. By Redelegation Order No. 00-002.10-05, effective July 8, 2020, the Assistant Secretary for Electricity further delegated the authority to confirm, approve, and place such rates into effect on an interim basis to WAPA's Administrator. This redelegation order, despite predating the February 2021 and March 2021 delegations, remains valid. This rate action is issued under the Redelegation Order No. 00-002.10-05 and Department of Energy procedures for public participation in rate adjustments as set forth at 10 CFR part 903.³

Acronyms, Terms, and Definitions

As used in this Rate Order, the following acronyms, terms, and definitions apply:

\$/MWh: Dollars per megawatt-hour.

² This Act transferred to, and vested in, the Secretary of Energy the power marketing functions of the Secretary of the Department of the Interior and the Bureau of Reclamation (Reclamation) under the Reclamation Act of 1902 (ch. 1093, 32 Stat. 388), as amended and supplemented by subsequent laws, particularly section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485h(c)) and other acts that specifically apply to the projects involved.

³ 50 FR 37835 (Sept. 18, 1985) and 84 FR 5347 (Feb. 21, 2019).

<u>Customer Rate Brochure:</u>	Document that further explains the rate methodologies under Rate Order No. WAPA-195.
<u>CRCM:</u>	The North American Electric Reliability Corporation (NERC)-registered Joint Dispatch Transmission Service Provider for WAPA's Colorado River Storage Project Management Center (CRSP MC) transmission facilities included in the Transmission System within the Western Energy Imbalance Service (WEIS) Market Footprint.
<u>Fiscal Year:</u>	October 1 to September 30.
<u>NEPA:</u>	National Environmental Policy Act of 1969, as amended.
<u>Provisional Formula Rate:</u>	Formula rate confirmed, approved, and placed into effect on an interim basis by the Secretary or their designee.
<u>Transmission System:</u>	The facilities owned, controlled, or operated by the CRSP MC that are used to provide transmission service.
<u>WEIS Market Footprint:</u>	The loads and WEIS Market Resources that are located within the Balancing Authority Areas participating in the WEIS Market under the WEIS Tariff. The WEIS Market is the market for imbalance energy administered by Southwest Power Pool in the Western Interconnection.

Effective Date

The Provisional Formula Rate Schedule SP-NFJDT (joint dispatch transmission service) will take effect on the first day of the first full billing period beginning on or after October 1, 2021, and will remain in effect through September 30, 2024, pending approval by FERC on a final basis or until superseded.

Public Notice and Comment

CRSP MC followed the Procedures for Public Participation in Power and Transmission Rate Adjustments and Extensions, 10 CFR part 903, in developing this formula rate. Following are the steps CRSP MC took to involve interested parties in the rate process:

1. On April 23, 2021, a *Federal Register* notice (86 FR 21726) (Proposal FRN)

announced the proposed formula rate and launched a 30-day public consultation and comment period.

2. On April 23, 2021, the CRSP MC notified CRSP MC Customers and interested parties of the proposed rate and provided a copy of the published Proposal FRN.
3. CRSP MC provided a website that contains all dates, customer letters, presentations, FRNs, Customer Rate Brochure, and other information about this rate process. The website is located at: <https://www.wapa.gov/regions/CRSP/rates/Pages/CRSP-WEIS.aspx>.
4. During the 30-day consultation and comment period, which ended on May 24, 2021, CRSP MC received one written comment letter. The comments and CRSP MC's responses are addressed below. All comments have been considered in preparation of this Rate Order.

Written comments were received from the following organization:

Colorado River Energy Distributors Association, Arizona.

Joint Dispatch Transmission Service

CRSP MC converted its rate for short-term sales for use under the WEIS Market to a long-term formula rate. The rate schedule did not change in the process. The formula rate is designed to recover the annual costs of providing the service, as applicable, on an annual basis effective October 1 of each fiscal year.

For further details and explanations regarding this service, please see the final version of the Customer Rate Brochure dated July 26, 2021, located at:

<https://www.wapa.gov/regions/CRSP/rates/Pages/CRSP-WEIS.aspx>.

Comments

The CRSP MC received one written comment letter during the public consultation and comment period. The comments expressed have been paraphrased, where appropriate, without compromising the meaning of the comments.

A. Comment: Commenter asked the CRSP MC to consider a 3-year term to run concurrently with the Rocky Mountain Region's (RMR) rates for participation in the WEIS Market. RMR sought a 3-year term to give "RMR time to refine the WEIS Market implementation and investigate the potential expansion of and participation in the Southwest Power Pool Regional Transmission Organization."

Response: CRSP MC agrees with the commenter's rationale and will also use the 3-year term for the same reason.

B. Comment: Commenter recommended terminology should be described or defined to allow the Rate Schedule to stand on its own and to consider defining "CRCM," "Transmission System," and "WEIS Market Footprint."

Response: All terms were added to the Acronyms, Terms, and Definitions section above.

C. Comment: Commenter asked where specific description of the Transmission System and WEIS Market Footprint can be found.

Response: CRSP MC has made edits to the final version of the Customer Rate Brochure to coincide with the suggestions. Additionally, Attachment R to WAPA's Open Access Transmission Tariff (OATT) contains provisions for the WEIS Market.

Certification of Rates

I certified that the Provisional Formula Rate for CRSP MC under Rate Schedule SP-NFJDT (joint dispatch transmission service) is the lowest possible rate, consistent with sound business principles. The Provisional Formula Rate was developed following administrative policies and applicable laws.

Availability of Information

Information about this rate adjustment, including the customer rate brochure, comments, letters, memorandums, and other supporting materials that were used to develop the Provisional Formula Rate, is available for inspection and copying at the Colorado River Storage Project Management Center Office, 1800 South Rio Grande

Avenue, Montrose, CO. Many of these documents are also available on WAPA's website at <https://www.wapa.gov/regions/CRSP/rates/Pages/CRSP-WEIS.aspx>.

RATEMAKING PROCEDURE REQUIREMENTS

Environmental Compliance

WAPA has determined that this action fits within the following categorical exclusions listed in appendix B to subpart D of 10 CFR 1021.410: B4.3 (Electric power marketing rate changes) and B4.4 (Power marketing services and activities). Categorically excluded projects and activities do not require preparation of either an environmental impact statement or an environmental assessment.⁴ Specifically, WAPA has determined that this rulemaking is consistent with activities identified in part B4, Categorical Exclusions Applicable to Specific Agency Actions (see 10 CFR part 1021, appendix B to subpart D, part B4). A copy of the categorical exclusion determination is available on WAPA's website at: <https://www.wapa.gov/regions/CRSP/environment/Pages/environment.aspx>.

Determination Under Executive Order 12866

WAPA has an exemption from centralized regulatory review under Executive Order 12866; accordingly, no clearance of this notice by the Office of Management and Budget is required.

Submission to the Federal Energy Regulatory Commission

The Provisional Formula Rate herein confirmed, approved, and placed into effect on an interim basis, together with supporting documents, will be submitted to FERC for confirmation and final approval.

⁴ The determination was done in compliance with NEPA (42 U.S.C. 4321-4347); the Council on Environmental Quality Regulations for implementing NEPA (40 CFR parts 1500-1508); and DOE NEPA Implementing Procedures and Guidelines (10 CFR part 1021).

ORDER

In view of the above, and under the authority delegated to me, I hereby confirm, approve, and place into effect, on an interim basis, Rate Order No. WAPA-195. The rate will remain in effect on an interim basis until: (1) FERC confirms and approves it on a final basis; (2) a subsequent rate is confirmed and approved; or (3) such rate is superseded.

Signing Authority

This document of the Department of Energy was signed on August 23, 2021, by Tracey A. LeBeau, Interim Administrator, Western Area Power Administration, pursuant to delegated authority from the Secretary of Energy. That document, with the original signature and date, is maintained by DOE. For administrative purposes only, and in compliance with requirements of the Office of the Federal Register, the undersigned DOE Federal Register Liaison Officer has been authorized to sign and submit the document in electronic format for publication, as an official document of the Department of Energy. This administrative process in no way alters the legal effect of this document upon publication in the *Federal Register*.

Signed in Washington, DC, on August 25, 2021.

Treena V. Garrett,
Federal Register Liaison Officer,
U.S. Department of Energy.

**Rate Schedule SP-NFJDT
SCHEDULE 8R to OATT Attachment
(Supersedes Rate Schedule SP-NFJDT dated
February 1, 2021, through September 30, 2021)**

**UNITED STATES DEPARTMENT OF ENERGY
WESTERN AREA POWER ADMINISTRATION**

**COLORADO RIVER STORAGE PROJECT MANAGEMENT CENTER
Colorado River Storage Project**

JOINT DISPATCH TRANSMISSION SERVICE

(Approved Under Rate Order No. WAPA-195)

Effective

The first day of the first full billing period beginning on or after October 1, 2021, and extending through September 30, 2024, or until superseded by another rate schedule, whichever occurs earlier.

Applicable

This rate schedule applies to the Colorado River Storage Project (CRSP) as the Transmission Service Provider (TSP) when the Colorado River Storage Project Management Center is participating in the Western Energy Imbalance Service (WEIS) Market. The Joint Dispatch Transmission Service (JDTS) Customer shall compensate the CRSP TSP for JDTS commensurate with the receipt or delivery of energy dispatched for the JDTS Customer pursuant to the WEIS Tariff under the formula rate described herein.

Formula Rate

Hourly delivery:

On-Peak Hours: the on-peak charge \$0.00/MWh

Off-Peak Hours: the off-peak charge \$0.00/MWh

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